



# STATE SENATOR TRAVIS HOLDMAN

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## SEN. TRAVIS HOLDMAN

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### Fellow Taxpayers:

Please know that I cut costs and saved valuable tax dollars on this important mailing to you by reducing its size and posting additional info on my Web site.

T.H.

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## PROPERTY TAX CAPS

Hoosier voters in November's general election will determine if permanent caps on property tax rates will be added to Indiana's Constitution.

Lawmakers this session gave final approval to a resolution that would constitutionally cap property tax rates at 1 percent for owner-occupied homes, 2 percent for other residential and agricultural properties and 3 percent for businesses.

This action sets the stage to make these 1-2-3 caps part of the constitution.

In the immediate aftermath of the 2007 property tax crisis, both chambers passed the property tax caps amendment in 2008.



Thanks to the 2010 approval, the amendment has

now been passed by two separately-elected sessions of the General Assembly and can go before voters on Nov. 2.

Approval of this resolution proves lawmakers are once again siding with taxpayers and not tax spenders.

## AG ASSESSMENTS

Lawmakers approved a measure aimed at stabilizing Indiana's agricultural property assessment system that farmers say is currently unfair.

State figures show farmers are experiencing unanticipated "peaks and valleys" in farmland assessments based on an experimental formula crafted in 2006. Economists attribute the fluctuations in-part to speculation about alternative energy sources like ethanol, bio-diesel, bio-mass and wind as well as economic corrections due to the na-

tional recession, food and energy markets.

Senate Enrolled Act 396, supported by the Indiana



Farm Bureau, will use an adjusted rolling average that eliminates the highest assessed value over a six-

year period. Known by economists as the "Modified Olympic Average" technique, the model should provide farmers and local governments more stable agricultural property assessments and be more representative of true market value.



# SEN. TRAVIS HOLDMAN

SERVING SENATE DISTRICT 19 TAXPAYERS



## **JOBS:** LAWMAKERS FIGHT NEW SPENDING, NEW TAXES; PASS PRO-JOBS INITIATIVES TO HELP HOOSIERS

**W**ith little time and no money, lawmakers worked this short session to maintain Indiana's pro-job climate of low taxes and limited regulation.

Senators kept a close, careful eye on proposed legislation and amendments to avoid new state expenditures and government intervention that would have raised taxes and imposed red tape during already hard times for Indiana's workforce and employers.

Gov. Mitch Daniels, with the support of Senate Republicans, rightly reacted to tumbling state revenues by cutting government spending, flat-lining state payrolls and freezing all but essential hiring. To date, state bureaucracies have cut 20 percent from operating budgets. Reluctantly, higher education funding has been reduced 6 percent and public K-12 schools – nearly half of the state budget – have been asked to find 3 percent in new cost savings and efficiencies to help save classroom teachers' jobs.

Senators also successfully delayed \$400 million in new unem-

ployment insurance premiums from going into effect in 2010. By avoiding premium increases, lawmakers hope employers large and small will be in stronger positions to retain or add employees.

Lawmakers also passed initiatives to help Hoosiers recover from the national recession:

- **New Employer Tax Credits** will be offered to businesses relocating or incorporating in Indiana. Qualified businesses must hire 10 or more full-time employees, not including owners.

- **Small Business Tax Credits** will be expanded to make small employers with fewer than 35 workers eligible for Economic Development for a Growing Economy (EDGE) credits.

- **Small Business Ombudsman** will be an advocate for small employers with state agencies,

helping navigate regulations, streamline paperwork and coordinate due dates. Also, the ombudsman will monitor outdated, ineffective and overly burdensome reporting requests and red tape.

- **H.I.R.E.** (Helping Indiana Re-start Employment) initiative will offer tax incentives to employers who hire and train unemployed and underemployed Hoosiers.



## ETHICS REFORMS

Lawmakers proactively passed a comprehensive ethics reform package aimed at improving transparency in government and providing greater accountability over state leaders.

House Enrolled Act 1001 creates a one-year cooling off period before a retired legislator could become a lobbyist and requires uniform reporting by all lobbyists. The measure further reduces the threshold for reported one-time lobbyist expenses from \$100 to \$50 a day and drops the annual total from \$500 to

\$250.

Reforms include expanding registration and reporting requirements for legislative liaisons of state agencies and universities. The law prohibits statewide officeholders, other than the governor, from appearing or using their name in advertisements funded with state-appropriated dollars, unless approved by a budgetary oversight committee. Also, statewide officeholders and statewide candidates are barred from campaign fundraising during budget-writing sessions.

## EDUCATION

This session, lawmakers provided schools more financial flexibility and local control. We also took steps to address social promotion of students not reading at grade level.

Under House Enrolled Act 1367, schools can claim up to 5 percent of funding normally dedicated to capital projects and use it for instructional purposes. Schools agreeing to pay freezes for staff, excluding those for years of experience and new degrees, can use up to 10 percent. By allowing access to these re-

sources, money will be available to help schools prevent teacher layoffs and preserve instructional programs.

To avoid additional software costs and provide more local control, Senate Enrolled Act 309 gives local schools the option to continue budgeting on the calendar year or change to the state's fiscal year, July 1 – June 30.

HEA 1367 also requires a new statewide plan to improve reading performance among grade-schoolers. Input will be sought through public hearings.